GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:3193
ANSWERED ON:03.08.2017
National Energy Policy
Ering Shri Ninong;Scindia Shri Jyotiraditya Madhavrao

Will the Minister of POWER be pleased to state:

(a) whether the NITI Aayog in its draft National Energy Policy has stressed the need to invest $150 billion capital in the energy sector;

(b) if so, the details thereof;

(c) whether several thermal power projects which are under construction have been stalled due to capital crunch;

(d) if so, the details thereof; and

(e) the steps proposed to be taken by the Union Government to meet the challenge of capital crunch in the energy sector?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER,
COAL, NEW & RENEWABLE ENERGY AND MINES

(SHRI PIYUSH GOYAL)

(a) & (b) : NITI Aayog in the draft National Energy Policy has indicated that "Capital requirement in the energy domain is the biggest challenge before the country. This is aggravated by high interest rates as compared to developed economies. A near $150 billion capital investment is needed in energy sector on an annual basis until 2040 (International Energy Agency). This has to be met without impacting availability of capital in other sectors".

(c) to (e) : 17 number of under construction coal based thermal power projects aggregating to a capacity of 18,420 MW are stalled due to financial issues. The measures taken by the Government to address the financial issues in the power sector are as follows:

(i) Ujwal DISCOM Assurance Yojana (UDAY) scheme for Financial and Operation Turn-around of power distribution utilities (DISCOMs) of the country.

(ii) RBI has notified schemes such as (i) Scheme for Sustainable Structuring of Stressed Assets (S4A) and (ii) Strategic Debt Restructuring Scheme (SDR) for the revival of stressed assets.

(iii) Due diligence and financial restructuring done by Banks to make projects viable would attract new promoters or states to bring in fresh equity investments.

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